## City of Sunnyvale Public Works Department/Engineering Division

## **Security Type for Public Improvements**

The following types of security for public improvements are acceptable subject to City's approval.

- Cash deposit with the City one in the amount of 100% estimated off-site improvement costs for faithful performance and warranty, the other in the amount of 100% estimated off-site improvement costs for labor and material payment;
- Certificate of Deposit (or Savings Passbook) with financial institution naming City as Payee - City holds Certificate of Deposit (or Savings Passbook); one in the amount of 100% estimated off-site improvement costs for faithful performance and warranty, the other in the amount of 100% off-site improvement costs for labor and material payment; with terms for annual renewal unless notified by the City in writing.
- Irrevocable Letter of Credit from a recognized financial institution naming City as Beneficiary - one in the amount of 100% estimated off-site improvement costs for faithful performance and warranty, the other in the amount of 100% off-site improvement costs for labor and material payment; with terms for annual renewal unless notified by the City in writing.
- An instrument of credit from a financial institution subject to regulation by the state of federal government and pledging that the funds necessary to carry out the act or agreement are on deposit and guaranteed for payment.
- A surety bond by a corporation duly authorized to act as a surety under the laws of the state – see standard bond forms; one in the amount of 100% of off-site improvement costs for faithful performance and warranty, the other in the amount of 100% off-site improvement costs for labor and material payment; with terms for annual renewal unless notified by the City in writing.

Revision Date: 6/12/05